

U.S. Air Force Contracting

*Turning Dollars & Desires into Dominant
Aerospace Power!*

AFI 63-124, Performance-Based Services Acquisition



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March 2003

AFI 63-124, Performance-Based Service Acquisition

- Why are we here?
- A “Transformed” Services Environment
- PBSA Defined
- Benefits of PBSA
- Scope of AFI Changes
- Comparing the “Old” versus the “New”



AFI 63-124, Performance-Based Service Acquisition

- **PBSA Includes**
- **AFI Format**
- **PBSA Starting Point**
- **PBSA Training Initiatives**





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Why Are We Here?

- **Different world...**
 - **Significant dollars spent on services**
 - **Mandating oversight of services**
- **Different environment...**
 - **Legislation**
 - **AFPEO/SV**



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A Transformed Services Environment

A new day, a new way... yielding better support to the warrior!

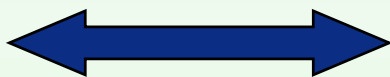
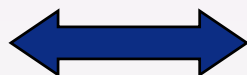
Old way...

- **Mandated policy**

- **Contract**

- **“MAJCOM responsibility**

- **PBSA focus
PWS & QASP**



New way...

- **Field empowerment**

- **acquisition**

- **AFPEO/SVS
>\$100M**

- **Acquisition life-cycle**

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PBSA Defined...

PBSA, the AF way...

- *empowers the acquisition team;*
- *provides the acquisition and contractor latitude to work towards a common goal;*
- *enhances communication between the acquisition team -- the contractor is part of the team; and*
- *compliments the shift of AF services from a non-essential role to direct mission support.*

PBSA - providing rapid, agile, combat support to the warrior!



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Benefits of PBSA

- **Greater efficiency**
- **Greater flexibility to the contractor**
- **Less Government oversight**
- **A motivated contractor who uses innovation and industry best-practices**



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Scope of AFI Changes

- Expands acquisition strategy to include prescribing performance assessment and performance management approaches
- Expands roles and responsibilities
- PBSA strategy determined by the complexity of the acquisition
- Multi-functional team
- Performance management
 - Performance assessment



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Comparing the “Old” vs “New”

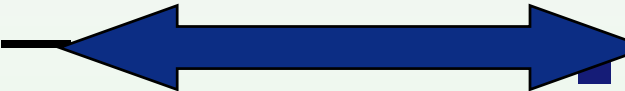
Old ...

- Applicable to “Operational” services

- No longer “one size fits all”

- QASP

- Individual roles



New ...

- Applicable to all Services

- More than one approach available

- Part of the performance management plan

- Shared roles



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Comparing the “Old” vs “New” (Cont)

Old ...

Mandatory BRAG

**SOW/SDS/QASP
Examples/Guidelines**

**Surveillance/
Measurement**

Contract Admin



New ...

**Advisory Council
(Optional)**

**Relocated to PBSA
Guide & Toolkit**

**Performance
Assessment**

**Performance
Management**



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PBSA includes

- **A performance-based acquisition includes:**
 - **Comprehensive acquisition strategy**
 - **Multi-functional team of stakeholders**
 - **Market research**
 - **PWS defining outcomes and measurable performance standards**



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PBSA Includes (contd)

- **A performance-based acquisition includes:**
 - **Management plan that prescribes how the multi-functional team will manage the contract, and prescribes the methods and procedures used for ensuring satisfactory performance**
 - **Metrics used to track progress towards performance objectives**
 - **Incentives and remedies, when appropriate**



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AFI Format

Organized by Chapters

- **PBSA Overview**
- **Key Management Duties/
Responsibilities**
- **Developing a PBSA Strategy**
- **Training**



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PBSA Starting Point...

■ Seven Steps to PBSA

<http://oamweb.ossec.doc.gov/pbsc/home.html>

- 1: Establish the team**
- 2: Describe the problem**
- 3: Perform market research**
- 4: Develop the PWS/SOO, etc.**
- 5: Decide how to measure/manage performance**
- 6: Select the right contractor**
- 7: Manage the contract**



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Ongoing Efforts

- **Air Force PBSA Guide**
- **Comprehensive Part 37, PBSA Contracting Toolkit**
- **List of initiatives from Services Symposium (i.e. training, dialogue at HQ level)**



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What the Future Holds

- **Increased focus on performance assessment and performance management**
- **Increased focus on multi-functional team**
- **Increased responsibility**
- **Increased emphasis on cost control**
- **Change**



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Take Aways

SAF/AQC Contracting Toolkit

■ **www.safaq/hq.af.mil/contracting/toolkit**



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Final Thoughts

- **PBSA is a TEAM concept!**
- **To work, the TEAM is EMPOWERED!**
- **PBSA involves making decisions, assessing the risk, and leaning forward!**



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BACK UPS

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Why Are We Here (Cont)?

■ New direction...

- Acquisition**
- Multi-functional team w/shared roles**
- Performance assessment**
- Performance management**
- Planned as part of the acquisition strategy**
- Exemptions limited to FAR 37.102(a)(1)**

■ Changing roles...

- Acquisition team responsible for the contract**